January 21, 2004

TO THE GENERAL ASSEMBLY AND THE PEOPLE OF MISSOURI:

Ensuring our children have a high quality education has always been my number one priority. We have made great strides in this area. High school graduation rates have increased, assessment scores have improved, and more teachers have been accredited through National Board Certification.

However, our children's education is now threatened by the revenue shortfall facing this state. My budget recommendations have always protected education from cuts. My recommendations have chosen our children's education over corporate tax loopholes, gambling interests, and cigarette manufacturers.

My budget and legislative package continues to call upon the General Assembly leadership to do the right thing for our children's future by protecting education funding. I ask them to choose education over corporate loopholes. I call upon them to increase gaming revenue for education. The gaming industry as a whole has enjoyed increased profits and can afford to help fund education. I also ask them to raise cigarette taxes, because Missouri ranks fifth from the bottom in its cigarette tax rate.

It is also important that we act immediately to take advantage of Missouri's recent economic momentum. Missouri has gained 30,000 jobs since January 2003. The national economy lost more than 220,000 jobs during the same time. Missouri is eighth of all states in terms of job growth since the beginning of the year. Missouri has created more jobs than all of our surrounding states.

In December, I announced Jobs Now, a comprehensive plan to create new jobs. Jobs Now calls for job creation and investments in critical infrastructure, and stimulating the growth of our targeted industries like the plant and life sciences. This initiative will not result in increased costs because existing resources will be redirected through the repeal of several outdated and inefficient tax credit programs.

This legislative session brings both challenges and opportunities. The state faces challenges to balance the budget without cutting too deeply. It also brings opportunities to ensure the education of our children and the future of this state. My plan will protect funding for education, help our state create the jobs necessary to ensure a brighter future, and balance the budget.

Sincerely,

Bob Holden Governor of Missouri